

The City and County of Honolulu

Citizen-Centric Report for FY 2022

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Mission, Goals & Objectives

ACCORDING TO THE CITY CHARTER:

The purpose of the city and county government is to serve and advance the general welfare, health, happiness, safety, and aspirations of its residents, present and future, and to encourage their full participation in the process of governance. To achieve these purposes, its departments and agencies can be roughly divided into four groups:

- Public Safety and Welfare
- Culture and Recreation
- Community Development and Citizen Participation
- General Government Operations

Our Island

Hawai'i is located in the central Pacific Ocean, about 2,400 miles southwest of San Francisco, CA. The City and County of Honolulu covers the entire island of O'ahu, an area of nearly 600 square miles. According to the 2022 U.S. Census Bureau statistics, there are an estimated 995,638 residents in Honolulu, making up approximately 69.1% of the state's total population of 1,440,196. Of Honolulu's total population, 187,180 residents (18.8%) were age 65 years and older. Tourism is the city's primary industry, followed by federal defense expenditures.

Our Government

In 1959, the Honolulu City Charter established a mayor-council form of government for Honolulu. The legislative function consists of nine city council members elected by districts. Under the charter, the council has legislative and investigative power. The mayor is the elected chief executive officer, assisted by a managing director who is the second ranking executive and is appointed by the mayor with council approval. All elective positions have four-year terms elected on a nonpartisan basis.

Our Economy

The outlook for O'ahu improved and is showing signs of progress and recovery in various sectors. O'ahu's tourism industry continues to make strides. For the ten months ended October 31, 2022, total visitor arrivals improved 50.7%, total visitor days increased 38.1%, and total expenditures rose 56.8% compared to the same period a year ago. The United States military continues to provide nearly 63,400 jobs to O'ahu. O'ahu's housing market is improving with increasing home ownership rates and record high assessment values going into 2023.

Selected Demographics

	2020	2021	2022
Population	974,563	1,000,890	995,638
Per Capita Personal Income	\$36,816	\$38,288	\$40,339
Unemployment Rate	6.3%	8.6%	4.4%
Households (Housing Units)	354,677	372,626	372,626
Homeownership Rate	56%	57.5%	58.4%

More demographics for the City and County of Honolulu can be found at

<https://www.census.gov/quickfacts/fact/table/honolulucountyhawaii/>



Sources: US Census Bureau, 2021 Citizen-Centric Report, and State of Hawai'i Department of Business, Economic Development & Tourism, and the Department of Labor and Industrial Relations.



Honolulu Hale is the City and County's official seat of government
<https://www.honolulu.gov>



FY 2022 Accomplishments

- ◆ The Office of Economic Revitalization developed a \$3 million, three-year agricultural grants program for small farmers that is part of the city's comprehensive strategy to support local farmers, ranchers, and growers, increase agricultural production, and reduce O'ahu's dependence on imported food.
- ◆ The Office of Housing provided operational support and secured \$3.5 million in congressionally-directed funding to launch the Crisis Outreach Response and Engagement (CORE) program that diverts nonviolent, homeless-related crisis calls to EMTs and community health workers instead of law enforcement.
- ◆ Department of Information Technology created an online application submission process for the new Honolulu Youth Commission, enabling O'ahu youth to apply through online portal and submit a short video biography and supporting documents, which were viewable by the Office of the Mayor and City Council.
- ◆ Department of Planning and Permitting processed 545 affordable housing applications using *Neighborly*, a customized database software designed to streamline the affordable housing applicant eligibility process. Also, 87% of processed applications were approved for 474 households.

Sources: City and County of Honolulu Department and Agency Reports FY 2022 and City and County of Honolulu Annual Comprehensive Financial Report FY 2022

Honolulu Performance Measures

	2021 Actual	2022 Actual	1 Year Change
Financial Priorities			
General Fund expenditures (millions)	\$1,825	\$1,809	-1%
General Fund revenues (less carry over) (millions)	\$2,555	\$2,674	5%
Community Design			
Availability of affordable housing (% excellent or good)	6%	6%	0%
Code enforcement (% excellent or good)	17%	12%	-5%
Overall quality of the transportation system in Honolulu (% excellent or good)	43%	33%	-10%
Environmental Sustainability			
Sanitation capital expenditures (millions)	\$840	\$633	-25%
Diversion rate of waste diverted from landfill (Municipal Solid Waste)	82%	84%	2%
Quality of recycling services	43%	34%	-9%
Quality of open space (% excellent or good)	42%	31%	-11%
Public Safety			
Police services (% excellent or good)	47%	43%	-4%
Fire prevention services (% excellent or good)	61%	62%	1%
Respond to 90% of suburban fire emergency calls within 9 minutes 30 seconds	80%	79%	-1%
Ambulance/EMS services (% excellent or good)	75%	60%	-15%
Emergency preparedness (% excellent or good)	60%	56%	-4%
Recreation and Wellness			
Recreation services expenditures (millions)	\$21.48	\$22.83	6%
Recreational opportunities (% of excellent or good)	66%	62%	-4%

Per Capita Spending by Department¹

Department	FY 2021	FY 2022	Department	FY 2021	FY 2022
Budget and Fiscal Services	\$23	\$22	Information Technology	\$26	\$24
Community Services	\$129	\$124	Land Management	\$3	\$3
Corporation Counsel	\$10	\$10	Legislative Branch	\$24	\$24
Customer Services	\$25	\$24	Mayor	\$256	\$65
Design and Construction	\$14	\$17	Managing Director	\$28	\$37
Emergency Management	\$4	\$4	Royal Hawaiian Band	\$2	\$2
Emergency Services	\$55	\$54	Medical Examiner	\$3	\$3
Enterprise Services	\$22	\$27	Parks and Recreation	\$81	\$81
Environmental Services	\$256	\$258	Planning and Permitting	\$22	\$23
Facility Maintenance	\$77	\$91	Police	\$297	\$292
Fire	\$137	\$135	Prosecuting Attorney	\$24	\$23
Human Resources	\$7	\$7	Transportation Services	\$296	\$308

FY 2022 Total Per Capita Cost for City Operations = \$1,658

¹Per Capita spending is the total operating expenditures of each department divided by the population of the City and County of Honolulu.

Source: City & County of Honolulu Executive Operating Program and Budget FY 2022 and 2022 National Community Survey of Honolulu Residents published by the Honolulu Office of the City Auditor.



Our Finances

Revenues and Spending for Fiscal Year 2022

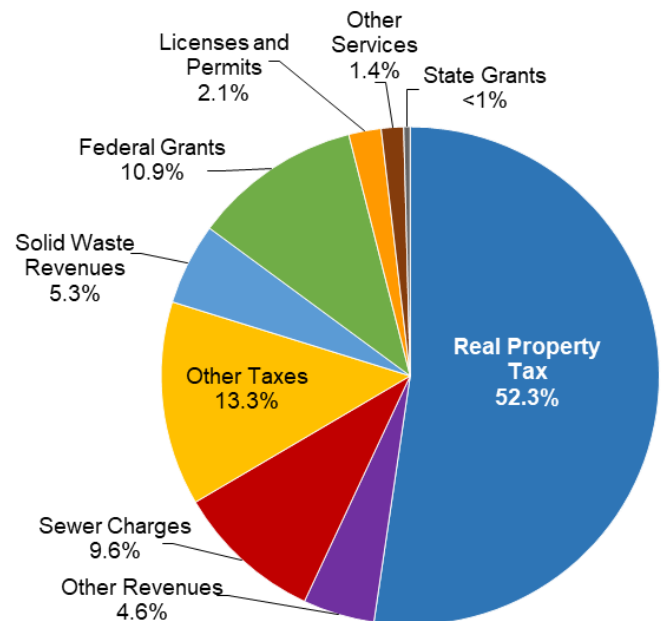
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Honolulu, like other cities, uses various funds to track specific activity categories. The *General Fund* is used for all general revenues and governmental functions, including the Departments of Community Services, Customer Services, Design and Construction, Emergency Management and Emergency Services, Environmental Services, Fire, Information Technology, Parks and Recreation, Police, the Legislative Branch, and other support services. These services are supported by general city revenues and program fees. *Proprietary Funds* are used for housing, sewer, bus transportation, solid waste, water, and enterprise services such as golf courses, the zoo, and auditoriums. These services are generally supported by charges paid by users. Revenue increased \$100 million from last year with the majority of revenues coming from real property tax, other taxes, sewer charges, and federal grants.

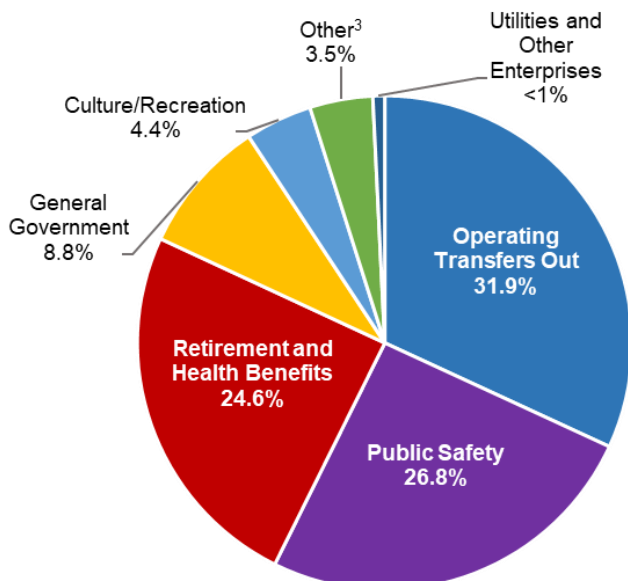
What are the Sources of Revenue?²

Operating Resources	FY 2021 (\$ millions)	FY 2022 (\$ millions)
Real Property Tax	\$1,438.74	\$1399.38
Other Revenues	\$117.55	\$124.31
Sewer Charges	\$217.73	\$255.61
Other Taxes	\$306.75	\$354.59
Solid Waste Revenues	\$126.96	\$141.80
Federal Grants	\$224.47	\$292.33
Licenses and Permits	\$60.56	\$56.29
Other Services	\$27.79	\$38.68
State Grants	\$34.08	\$11.16
Total	\$2,554.63	\$2,674.15

Sources: Executive Operating Program and Budgets FY 2022 and 2023.



Spending for FY 2022 remained consistent with spending for FY 2021 at \$1.8 billion which maintains and enhances core city services, addresses escalating nondiscretionary expenses, and allows planning for a unified transit system.



Where does the General Fund Dollar Go?³

Function	FY 2021 (\$ millions)	FY 2022 (\$ millions)
Operating Transfers Out	\$605.39	\$576.94
Public Safety	\$460.73	\$460.39
Retirement and Health Benefits	\$426.86	\$444.84
General Government	\$173.22	\$159.25
Culture/Recreation	\$80.18	\$79.17
Other ³	\$76.08	\$74.61
Utilities and Other Enterprises	\$0.66	\$13.98
Total	\$1,825.96	\$ 1,809.15

Source: City and County of Honolulu's Annual Comprehensive Financial Report FY 2022.

²Percentages do not total 100% due to rounding.

³Other includes: Other Miscellaneous, Human Services, Sanitation, Highways & Streets, and Capital Outlay.

The City and County of Honolulu's Annual Comprehensive Financial Report (ACFR) was issued in January 2023. Independent audits of the city's finances were conducted, resulting in clean opinions. Honolulu ACFR can be found at: <https://www.honolulu.gov/budget/budget-acfr.html>

Complete financial information can be found at: <http://www.honolulu.gov/cms-oca-menu/site-oca-sitearticles/1348-citizen-centric-reports.html>

What's Next

Challenges and Priorities



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Priorities

On Jan. 2, 2021, Rick Blangiardi was officially inaugurated and installed as the 15th Mayor of the City and County of Honolulu. Mayor Blangiardi focused on: helping our residents, supporting our business community as we continue down the long road to recovery from the global pandemic, and outlining seven priorities that will be focus of his administration.

The seven priorities are as follows:

- The health and safety of our residents
- Economic recovery
- Serving our unsheltered population with dignity
- Creating affordable housing
- Modernizing city facilities and services
- An improved path forward for Honolulu's rail project
- Countering climate change

The mayor is committed to keeping the public safe, improving efficiency for all, and making O'ahu a great place to live, work and play.

We want to hear from you.

Do you like this report?
Would you like to see other information?
Please let us know by contacting our office at oca@honolulu.gov. For more information on our services, visit our website at <http://www.honolulu.gov/auditor.html>.

Sources: City & County of Honolulu Executive Operating Program and Budget FY 2022 and 2022 National Community Survey of Honolulu Residents published by the Honolulu Office of the City Auditor.

National Community Survey

The Office of the City Auditor reported the results of Honolulu resident opinions about community and city services in the 2022 National Community Survey (NCS). These results were compared with results from other communities.

Facets of Livability

- The overall opportunities for education, culture, and the arts was rated positively by 47% of respondents, which was lower than other community respondents

Quality of Life

- 74% of respondents said they would remain in Honolulu for the next five years, which was similar to other community respondents

Governance

- Public information services in Honolulu was rated positively by 35% of respondents, which was lower than other community respondents

Economy

- Overall quality of business and service establishments in Honolulu was rated positively by 51% of respondents, which was lower than other community respondents

Mobility

- Traffic flow on major streets and ease of public parking was rated positively by 11% of respondents, which was much lower than other community respondents

Utilities

- Drinking water was rated favorably by 61% of respondents, which was similar to other community respondents

Safety

- Fire services was rated favorably by 69% of respondents, which was lower than other community respondents

Natural Environment

- Water resources was rated positively by 55% of respondents, which was similar to other community respondents

Parks and Recreation

- Availability of paths and walking trails earned a positive rating by 52% of respondents, which was lower than other community respondents

Information on other performance measures can be found in the 2022 National Community Survey. The report is available on the City Auditor Website: <http://www.honolulu.gov/auditor/reportsworkplans.html>

For the Future

The city continues to focus on sustaining its core services, federal resource distribution to those financially impacted by the recession, upgrading infrastructure, expanding fiber-optic connectivity, climate change adaptation strategies/projects, and providing more affordable housing opportunities.

Upcoming Capital Improvement Projects

To improve the infrastructure and maintain the physical foundation of our city, upcoming projects include:

- Improvements for highway and streets
- Improvements to the Honouliuli Wastewater Treatment Plant



Future capital budget includes \$35 million for roadways and \$506 million for wastewater
Source: Department of Budget and Fiscal Services